

North Carolina Agriculture Cost Share Program Review Summary  
(August 2013)

County	<u>Harnett</u>	Date of Previous Review/Report	<u>1998</u>
District Staff Name(s)	<u>Neal Taylor</u>	Date	<u>8/29/13</u>
NRCS Staff Name(s)	<u></u>		
Division Representative(s)	<u>Lisa Fine, Martin McLawhorn, Steve Bennett</u>		
Additional Participants	<u></u>		

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action (date)
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
Section 1: Application Procedures and Tracking Progress (BMP Implementation and Payments) Questions in this section focus on how the district advertises the program, how applications are developed, how contracts are developed, how funds are tracked and how the board approves each.										
When do you schedule your board meetings?				X	Board meetings are every 3 <sup>rd</sup> Thursday at 7:00 p.m. except in June when they do morning hours.		X			
How do you notify the public of the board meeting schedule and does it adhere to the Open Meetings Law?				X	Yes, the district posts the notice at their office in the commons area and public access doors at least a week ahead of the meeting.		X			

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When do you develop a conservation plan for a potential applicant?				X	Conservation Plans are written by NRCS DC Darryl Harrington when a resource concern is found on a site visit.		X			
How do you assess the resource concerns on the farm to determine if a BMP is needed and feasible?				X	For erosion and sediment delivery an HEL determination is done. If not HEL then the slope of the land is determined. Site visits and preliminary surveys determine what practice will be utilized. The water quality impact of the needed practice is also taken into consideration.		X			
Are applications reviewed and approved by the Board as a separate action item?		X			Sometimes, however it is unclear when contracts are approved. <b>Recommendation:</b> the district should make sure that applications are presented as separate action items from contracts and that the motions/votes are recorded as they occur in the meeting.	X		Applications and contracts will be presented as separate action items in future meetings and separate votes will be taken with results being recorded in the minutes.	Started September 2013	Plan of action accepted.
Are application decisions/motions recorded in the board minutes?				X	Sometimes applications and RFPs were done under the same motion or it was recorded in the minutes that way. See above recommendation.		X			
Because applicants are limited when applying for incentive BMPs, how does your district track the applications for incentive BMPs? Is your district using the self-certification form provided by the division to track incentive BMPs.		X			Neal keeps a watch on it. He asks if they have had anything before or looks it up in their ledger. He keeps expired incentive files so he can check them. The district has not used the self certification form before.	X		The District will begin using the self-certification form to track incentive BMP's.	September 2013	Plan of action accepted.

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					<b>Recommendation:</b> The district should begin to use this form now. It can be found here: <a href="http://www.ncagr.gov/SWC/costshareprograms/Forms.html">http://www.ncagr.gov/SWC/costshareprograms/Forms.html</a>					
Please describe how the district tracks applicants who are applying for multiple incentive BMPs or consecutive incentive BMPs.				X	See above answer and recommendation.		X			
If multiple partners farm together, how does the district track individual applicants as one operation?				X	The district signs up people not companies. They keep it separate by tract numbers and make sure it's a separate farm. Neal looks back at what he has done before in the ledger, old contracts, site visits, etc...		X			
Once applications are approved, how do you develop a contract?				X	Neal does the application on the farm by doing site visits and makes preliminary notes. Then he meets the farmer and discusses with Darryl from NRCS to see if it is feasible and can become a contract.		X			
Describe how the district reviews the contract with the applicant. Do you explain that work cannot begin until the contract is approved by the division?	X				Neal goes over the contract with the farmer in person. Neal is developing his own checklist of what can be done and when and he will have the farmer sign it. He does explain that work cannot begin until the contract is approved by the division. <b>Commendation:</b> the district is		X			

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					commended for seeing the need for a checklist and for taking the effort to develop one specific to their needs in their county.					
What procedures do you follow for notifying the applicant that work can begin?		X			Neal calls them and tells them that work can begin. <b>Recommendation:</b> The division recommends the district send a letter with the timelines and requirements in it as part of their checklist they are developing.	X		The District will develop a form letter including timelines, requirements and notifying the applicant that work may begin for this contract.	January 2014	Plan of action accepted. Please send an example of this form to the division office.
What information do you provide the applicant?				X	Neal gives the cooperators a copy of the contract, standards and specs, and maps.		X			
<i>Are contracts reviewed and approved by the Board as a separate action item?</i>				X	There was no mention in the minutes I reviewed of any contracts being approved. The district considered applications as contracts. See below.		X			
<i>Are contract decisions/motions recorded in the board minutes?</i>			X		None were found. <b>Corrective Action:</b> Contracts must be reviewed by the board as a separate action item from the applications and payments. A motion and vote should be noted. The contract number, BMP and amount should be included.	X		Applications and contracts will be presented as separate action items in future meetings and separate votes will be taken with results being recorded in the minutes.	Started September 2013	Plan of action accepted.
Describe the district/board's procedure for approving supervisor contracts.				X	Supervisor contracts are not given extra points and no points are taken away either. They are ranked with other contracts.		X			

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<i>Is it documented in the Board minutes that the supervisor abstained from discussing his/her own contract and from voting?</i>				X	Yes there is evidence in the minutes that supervisors abstained from discussing or voting on their own contracts.		X			
What technical assistance do you provide during the BMP installation process to ensure the BMP is installed by the contract deadline?				X	Neal does the surveying and all preliminary notes then calls Darryl in since he has JAA. Neal is on site for the entire installation if he can be even on weekends. He checks in to see that things are going correctly for installation.		X			
How do you track the Commission's interim performance milestone? One-third of the work must be completed within 12 months of division approval.		X			District has not been tracking this. <b>Recommendation:</b> the division recommends the district add a column to their ledger that lists the 12 months from division approval date so that staff can see the date approaching for 1/3 of the work to be done and they can follow-up with the cooperator.	X		A column will be added to the current ledger that Neal keeps tracking project progress.	January 2014	Plan of action accepted.
Is the district recording 6-month extensions in the board minutes?		X			None noted since Neal has been there. <b>Recommendation:</b> the district should track the 1/3 date and if the board votes to give the cooperator the 6 month extension it should be recorded in the minutes. If no extension is granted then the contract should be cancelled using the NC 18 form.	X		Progress will be recorded as stated above on the ledger. Contracts needing an extension will be brought before the Board for a vote and results will be recorded in the minutes.	January 2014	Plan of action accepted.

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What documentation do you include in the contract file that certifies that the BMP was inspected and is installed to the standards and specifications?		X			There are notes in the file for checkouts on practices.  <b>Recommendation:</b> the district should include Conservation 6 notes or other form of keeping more specific information in the file on site visits, BMP checkoffs, any correspondence with the cooperator including date and staff person.	X		A new form will be added into the contract file tracking all communication with the cooperator and approvals. Also, tracking, planning, implementation and check-off notes and dates.	January 2014	Plan of action accepted.
Are BMPs measured then certified before the request for payment is approved? How is this documented?				X	Yes, the BMPs are certified using checkout sheets.		X			
Are receipts received and reviewed for CSP BMPs that are based on actual cost?				X	Yes, there are pond cleanout receipts and pasture renovation (when it was actual costs) receipts in the contract files.		X			
Are request for payments reviewed and approved by the board as a separate action item?				X	Yes, RFPs are reviewed and approved separately from other items usually.		X			
If the BMPs are not installed by the end of the third program year per Commission policy, how does the district request a one-year extension?				X	The only extensions the district has asked for were paid out between June 30 <sup>th</sup> and the next SWCC meeting so the district was not required to come before the SWCC for approval. The board does not ever want to give a 1 year extension.		X			
<i>Are payment decisions/motions recorded in the board minutes?</i>				X	Yes, payment motions were recorded in the board minutes.		X			

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Section 2: Spot Checks and Compliance Issues Questions in this section focus on how the district reviews BMPs for compliance and how maintenance and/or non-compliance issues are addressed.										
Who participates in annual spot checks? When are they conducted?				X	Neal, Darryl and at least one supervisor. Last year Darryl took 3 and Neal took 2 to different parts of the county separated by the Cape Fear River. The supervisors not from that side of the river go on that spot check. They are done in early spring but not as part of a regular board meeting.		X			
How does the district select which contracts to spot check?			X		The district pulls all waste management contracts out first, adds recent supervisor contracts, then looks back on what has been done in recent past. Then they do it by practices. This is not a random system. <b>Corrective Action:</b> Please follow the spot check policy found here: <a href="http://www.ncagr.gov/SWC/costshareprograms/documents/spotcheck.pdf">http://www.ncagr.gov/SWC/costshareprograms/documents/spotcheck.pdf</a>  5% of active contracts must be selected randomly even if you went there in recent spot checks and then all other waste management contracts (that need inspected for the first 5 years after installation) not picked randomly should be added.	X		The District staff will follow recommendations from the Division as pertains to spot checks.	January 2014	Plan of action accepted.


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<i>Are all BMPs under the waste management category spot checked for the first five years after installation? This applies to all farms that fall under the thresholds that are regulated by DWQ.</i>		X			Yes, all waste management BMP contracts are reviewed. He has so few he can remember them. <b>Recommendation:</b> the division recommends the district make a notation in the ledger or otherwise mark the waste management contracts so that they are included in the spot check per SWCC policy.	X		A column will be added to the current ledger system to notate all waste management contracts.	January 2014	Plan of action accepted.  This requirement pertains only to waste management contracts that need checked for the first 5 years after installation.
How does the district review five percent of all waste utilization plans?				X	I believe this question was pertinent during 0200 but is not now. Only waste management plans related to active contracts are reviewed.		X			
How does the district notify the NRCS area office (for ACSP contracts) or division (for CCAP contracts) to conduct spot checks on lands owned or operated by a district, county, division or NRCS employee or district supervisor? This includes CPOs, revisions, supplements or repairs.			X		Pete Crawford did check the NRCS employee contract but no one from the Area Office ever checked any of the district supervisor contracts. <b>Corrective Action:</b> the district should request the Area Office to spot check any district supervisor contracts within one year of completion. I think there is a form to use. Darryl could also make a request to have these contracts reviewed by the NRCS Area Office.	X		The DC will make a request to check District Supervisor contracts within one year of completion.	January 2014	Plan of action accepted.  The district technician will need to request this of the DC then he will contact the Area Office.





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The North Carolina Statute 02 NCAC 59D.0107(f) states "If the technical representative of the district determines that a BMP for which program funds were received has been destroyed or has not been properly maintained, the applicant will be notified that the BMP must be repaired or re-implemented within 30 working days. For vegetative practices, applicants are given one calendar year to re-establish the vegetation" How does your district notify individuals that have destroyed or mismanaged a BMP?				X	A letter is written by the district and sent to the cooperator.  <b>Note:</b> This maintenance or compliance letter should be signed by the district chair. However, it can be written by staff. If this letter is mailed please do so by certified mail where a receipt is required.		X			
How are supervisors notified of BMPs that are found to be destroyed or mismanaged at any time throughout the year?				X	At board meetings. This is where the chairman should sign the notification letter.		X			
When does the district provide a written notice that the BMP must be repaired or re-implemented within 30 working days? (Vegetative practices have to be reestablished within one calendar year.) Is a copy of the notification kept with the CPO?				X	Neal first makes a call to the cooperator for maintenance issues.  Yes, there is evidence in the files of letters being sent.		X			
If the BMP was not repaired or re-implemented, was repayment requested? Please provide documentation.					Yes, repayment has been requested, received and sent to Raleigh.					
<i>Is the district notifying the division of non-compliance and resolutions?</i>		X			There were no copies of letters for maintenance or compliance in the history file here. A copy of a letter from Neal to the division specialist about a repayment was found in the contract file. However, the notification	X		Letters of correspondence will be written for maintenance and compliance and will be kept on contract files in the District office.	January 2014	Plan of action accepted.  A copy must also be sent to the division.


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					letter sent to the cooperators was not found. <b>Recommendation:</b> copies of all letters sent to cooperators about maintenance or compliance should be sent to the division specialist.					
<b>Section 3: Record Keeping</b> Questions in this section focus on how funds are managed and accounted for, maintaining proper design and job approval authority, as well as disclosure forms.										
How does the district track BMP funds?				X	The district keeps a ledger in their office.		X			
How does the district use the division on-line (website) reports?				X	The district matches their ledger against the website reports especially at year end.		X			
How are your BMP funds audited? What is the date of the last audit? Who performed the audit? Was the BMP audit form completed and notarized?				X	The BMP funds are audited by the board using the division's BMP Certification form. Yes, the form was completed and notarized.		X			
How are technical assistance funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	Neal is paid by the county so no one gets TA funds. The district hopes to get a TA funded position.		X			
Who in the office is funded by Cost Share Technical Assistance (TA) from the State?				X	No one. They hope to have someone maybe in December or January.		X			
How are operating funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	They don't get operating funds since no one gets TA funds.		X			

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How are matching funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	The district receives the funds and tracks it in a ledger. The board does an in-house audit and it is notarized. I received a copy during the program review.		X			
How much time is spent on cost share program (ACSP, CCAP, AgWRAP) contracts and BMP implementation? How is that tracked?				X	Neal spends 80% of his time on cost share program implementation. He does not track it. <b>NOTE:</b> No one in the district is TA funded so we can't recommend they track their time but if someone does get TA funded in the near future they would need to use the new employee time sheet to track their time working on cost share related programs.		X			
Is proper job approval authority (JAA) documented for each technical and cost share position?				X	Neal does not have a lot of job approval. He does have it for sediment removal. I reviewed Darryl's JAA because he signs off on state cost share program items related to terraces and grassed waterways. Pete Crawford signs off on tanks and pipe. Neal does not feel comfortable yet planning and designing on his own.		X			



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Do district supervisors complete supervisor forms when they have a financial interest in an entity requesting a cost share contract?				X	All of Harnett County's supervisors signed the disclosure form and it is filed. None of the supervisors do work for other farmers.		X			
<b>Section 4: Contract Reviews and Site Visits</b> Below is a list of the contracts the division reviewed. Spot checks were also conducted. Notes include recommendations and/or corrective action for contract files as well as the BMP. Contracts/BMPs are listed by contract number.										
Contract Number: 43-05-806 Applicant Name: C. H. Johnson BMP: Field Border				X	No concerns.		X			
Contract Number: 43-05-785 Applicant Name: Kent Revels BMP: Grassed waterway				X	No concerns.		X			
Contract Number: 43-08-898 Applicant Name: C. H. Johnson BMP: grassed waterway <i>Insert Picture</i> 				X	No concerns.		X			

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Contract Number: 43-09-905 Applicant Name: Lewis Cummings BMP: pasture renovation (drought)				X	No concerns. Copy of grazing guide in file.		X			
Contract Number: 43-09-922 Applicant Name: Shirley Keith BMP: cropland conversion to trees  <i>Insert Picture</i> 		X			<b>Recommendation:</b> The district should review the forestry plan for this area. It looks like there may be a need to replant some of the trees to get the required establishment.	X		The District staff will review the forestry plan for this area and make recommendations.	January 2014	Plan of action accepted.  Please notify the division of the result of the review of the forestry plan.


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Contract Number: 43-11-967 Applicant Name: Kent Revels BMP: grassed waterway				X	No concerns. <b>Note:</b> recommend that site visit notes include dates of visit.		X			
Contract Number: 43-11-968 Applicant Name: Jeff Turlington BMP: pond cleanout  <i>Insert Picture</i> 				X	No concerns.		X			
Contract Number: 43-11-978 Applicant Name: Kent Revels BMP: grassed waterway				X	No concerns.		X			

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Contract Number: 43-11-971 Applicant Name: Jeff Turlington BMP: diversion, grassed waterway				X	No concerns.		X			
Contract Number: 43-03-698 Applicant Name: James McCormick BMP: cropland conversion to grass  <i>Insert Picture</i> 				X	No concerns. Great condition given the age of the contract.		X			
Contract Number: 43-11-972 Applicant Name: C.H. Johnson BMP: pond cleanout (2)				X	No concerns in field. More notes on site visits are needed.		X			



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Contract Number: 43-07-845 Applicant Name: Ken Roberts BMP: drystack 				X	No concerns.		X			
Contract Number: 43-10-950 Applicant Name: Kent Revels BMP: diversion, grassed waterway 			X		<b><u>Corrective Action:</u></b> One of the grassed waterways needs redone and reseeded. It is completely out of compliance with erosion present. The district should notify the cooperator by formal letter and copy the division specialist.	X		Corrective action has been taken.	September 2013	Plan of action accepted.  If a compliance letter was sent to the cooperator then the division should be sent a copy. Please forward a photo of this practice via email after it has been corrected.



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<p>Contract Number: 43-09-919 Applicant Name: Kent Revels BMP: terraces, grassed waterways</p> <p><i>Insert Picture</i></p> 		X			<p><b><u>Recommendation:</u></b> some maintenance is needed near the downhill end of the shorter waterway. The other waterways may need reseeded as well.</p>	X		Corrective action taken.	September 2013	<p>Plan of action accepted.</p> <p>A copy of any letter about maintenance should be forwarded to the division. Please send a photo to the division via email of the BMP after it has been corrected.</p>